



## From the governor: Working together on tough, vital issues

**W**hether it's affordable housing or transportation improvements, the Ige administration has its eyes on the future even as it's dealing with the issues of today. This issue of Capitol Connection describes some of the progress we're making in tackling big issues such as affordable housing and protecting our islands and what Hawai'i's people can look forward to in the years ahead.

### **Q. Is there more the state can do to increase affordable housing?**

**A.** Since I took office, we've focused on making policy changes and providing additional funding to make projects affordable. We've also made state land available where possible to reduce project costs. It's always about finding the balance between providing more housing for local families and addressing concerns about the environment and agricultural land. We also want to encourage public-private partnerships to help with infrastructure because we have to have the sewer and water capacity before we can build (See stories on Pages 2-3).

### **Q. Why is housing along transit lines so promising?**

**A.** First, the state-owned land near transit hubs can be our contribution to a public-private partnership. We also want to encourage "smart communities" by giving residents access to critical services without having to drive their cars. If we have affordable housing along transit routes, then we can really shape how communities develop, connect UH system campuses and encourage neighborhood businesses.

### **Q. What makes "The Year of the Hawaiian" personally significant for you?**

**A.** Thirty years ago, one of the first public school Hawaiian immersion programs was launched at Waiau Elementary in my House district. It was my first term in the Legislature, and it was Gov. John Waihe'e's first year in office. I understood that to save the culture we had to save the language and help children master it early. From the brink of extinction, the language is now thriving and spoken by more than 20,000 people. In honoring the accomplishments of our Native Hawaiian people, we can celebrate the values, culture and traditions they have shared with all of us and honor Queen Lili'uokalani's legacy (Story on Page 4).

### **Q. What should we know about lessons learned from the false missile alert?**

**A.** Brig. Gen. Kenneth Hara's report (see story Page 2) provides a detailed road map to make sure our state is prepared to handle any hazard. Among the lessons learned by Hawai'i's Emergency Management Agency (HI-EMA) is that you need a comprehensive plan involving all community sectors and federal agencies. HI-EMA was trying to get ahead of the curve because of North Korea's increased missile activity, but they were still in the first phase of planning. After the National Governors' Association conference in Washington, D.C., I'll have more to report on meetings with some of our federal partners so we can move forward. I'll also be asking our state Legislature for more than \$2 million to build our system capacity to ensure the safety and security of the people of Hawai'i.



(top) Gov. Ige, developer Stanford Carr and others break ground for Hale Kewalo, an affordable rental project in Kaka'ako. Pūnana Leo Hawaiian immersion preschool keiki sing at the Washington Place event to celebrate "The Year of the Hawaiian."



# 'All Hazards' report recommends major changes

**W**hat did we learn from the false missile alert and how can we be better prepared for the future? The answers are the focus of a report ordered by Governor Ige that provides an action plan to improve the state's disaster preparedness through the Hawai'i Emergency Management Agency (HI-EMA). The report was prepared by Brig. Gen Kenneth Hara and a 7-member team that included Hawai'i island Mayor Harry Kim, Department of Defense personnel and a HI-EMA critical systems planner.

The report focused on **four "significant contributing factors"** in the Jan. 13, 2018 incident and lag time in correcting the warning. These included: 1) the lack of a comprehensive plan before drills started, 2) confusing communication channels, 3) inadequate software and lack of safeguards to prevent human error, and 4) weaknesses in managing and training of the HI-EMA workforce.

"The report provides a road map for how the state can take immediate action to make much-needed improvements to the system," said the governor. "We have to be able to work with the whole community and especially our federal partners. There are too many issues connected to national security that can't be answered by HI-EMA alone."



Gov. Ige, Mayor Harry Kim and Brig. Gen. Kenneth Hara release final HI-EMA report.

## Among the recommendations:

- Begin a comprehensive review of organizational roles and performance at HI-EMA.
- Make needed improvements in technological capabilities.
- Enforce current statutes and executive orders for emergency management and clarify roles for informing the public.
- Develop training and education programs for the public, government leaders and emergency management employees.

The governor said, "We are actively seeking a new HI-EMA administrator who will build a team to implement the recommendations in this report."

## The vision: 'Smart Communities' near transit hubs

**R**eitalized neighborhoods. More affordable housing. Better access to services. And the convenience of the ride. That's the vision laid out in a new strategic plan from the **Hawai'i Interagency Council for Transit-Oriented Development (TOD)**. Whether it's affordable housing along O'ahu's rail line or neighbor island rentals along bus lines, the goal is the same: to make the most of state land in designated transit areas.

"TOD remains one of our biggest game changers and will allow us to build affordable homes, direct growth, protect open space and agriculture, and reinvigorate older neighborhoods for the future," Governor Ige said.

**On O'ahu**, the report highlights opportunities for "smart growth" TOD planning because the state is the largest landowner along the 20-mile rail corridor. **On the neighbor islands and rural O'ahu**, the report highlights opportunities through Transit-Ready Development (TRD) hubs for pedestrian-friendly streets and connecting people to jobs, schools and services.

Among the opportunities near 21 planned rail stations on O'ahu are three priority TOD areas named in the report — **East Kapolei, Halawa/Aloha Stadium and Iwilei/ Kapalama** — in addition to projects already underway in Kaka'ako. Each area offers an opportunity to shape neighborhoods and increase affordable housing and other community opportunities.



(top) Legislators and state officials gather for the signing of housing bills. An O'ahu map showing three priority areas for TOD "Smart Communities."

"**The TOD Council** is looking at every way to move these projects forward," said Leo Asuncion, state Office of Planning director. "We're focusing on the gap group of 60 to 140 percent area median income levels. It's the gap because there's really no financing or tax credit incentive (for housing projects) that covers anything above 60 percent from the federal government or the state."

**To make progress**, the governor's capital improvement budget requests this legislative session include:

- \$4.5 million for infrastructure improvements at the **Mayor Wright Homes site** near the **Iwilei transit station**. The goal is to redevelop the 15-acre site for 2,500 residential mixed-income units, 66 percent of which will be designated affordable.
- \$25 million to be set aside from the Rental Housing Revolving Fund for the **Alder Street affordable rental housing project** near the **Ala Moana rail station**. The project will include 180 units for households earning 60 percent and below the area median income. The governor is also asking for \$25 million statewide from the Dwelling Unit Revolving Fund to help development of affordable rentals and regional infrastructure on **O'ahu, Maui and Hawai'i** with additional requests from **Kaua'i and Maui** counties.

# Hale Kewalo: Working together for more affordables

For Governor Ige and developer Stanford Carr, the commitment remains the same: **building housing local folks can afford**. Carr's latest affordable rental project, Hale Kewalo across from Ala Moana Center in Kaka'ako broke ground last month — amid more expensive high rises. The governor praised Carr and developers like him for creating housing that gives back to the people of Hawai'i. "For Stanford, it's more than just a return on his investment," he said. "It's about the legacy he wants to leave his children and his children's children."

The project, which is expected to be completed in 2019, includes 128 rental units and focuses on those earning 30 to 60 percent of the area median income (AMI). A one-bedroom unit would rent for \$588 a month for those at 30 percent AMI; a two-bedroom rents at \$706 for those at 30 percent AMI; and a three-bedroom rents for \$1,632 for those at 60 percent AMI. All costs include water, electricity and sewer.

**"This governor has worked with the development community to create more financing tools** so we can build more affordable housing for our people," said Carr. "Rental projects like Hale Kewalo help people get a foot in the door and build their savings so they can afford to buy a home later on."

Governor Ige has advocated for more public-private partnerships like this one to help the state reach its targets. "We set a pretty aggressive goal of completing 10,000 housing units by 2020," he said. "Stanford's team has worked closely with the state's Hawai'i Housing Finance and Development Corporation as we revamped our state programs to make financing projects like these possible. I'm excited that Hale Kewalo can remain affordable for 60 years for those at lower income levels. It's another demonstration of what we can accomplish when we all work together."



Stanford Carr, Gov. Ige and HHFDC's Craig Hirai at Hale Kewalo's groundbreaking with a rendering of the project.

## Bridging the gap for better housing solutions

From Kaka'ako and Kona to Mililani, Koloa and Kula, groundbreakings and blessings for more affordable housing projects are happening across the state. "The number of projects completed, under construction or in the pipeline is significant," said Craig Hirai, director of the Hawai'i Housing Finance and Development Corporation (HHFDC). The agency uses its financial tools and helps with infrastructure development (sewer and water) to make building affordable units feasible.

"HHFDC is concentrating on increasing the production pipeline and accelerating the delivery of homes people can afford," said Hirai. "The greatest need right now is for rentals, and we are on schedule to add 1,204 units this year."

Many of HHFDC's rental projects are for residents whose incomes are at or below 60 percent of the area median income (AMI). On O'ahu, that equates to a family of four making about \$62,700 a year (median income levels vary by county). The agency also provides assistance if the project includes some affordable units at a higher AMI.

**Governor Ige has put the emphasis on affordable housing for local residents** and says we're on track to produce 10,000 units statewide by the year 2020. About 5,300 units have been finished so far, with 40 percent of them affordable. Another 1,400 units are under construction and 4,500 more are in the pipeline. Senior housing projects have opened or are in the pipeline on Maui, Kaua'i, Hawai'i island and O'ahu, and more affordable units for local residents are coming online each month.

**Some might ask, "Why can't we just build more affordables faster?"** The answer is a Rubik's cube of complexity that depends on timing, community need, available land, infrastructure, and the financing a developer can secure. Hirai said his agency looks for ways to maximize financing tools and leverage state funds to achieve the right mix of affordable and market-rate units. The Hawai'i Community Development Authority also places requirements for developments in areas such as Kaka'ako to include a certain number of affordable or "reserved" units.

**The governor has been bringing people to the table — public and private —** to advise him on how the state can help ramp up production. Working with legislators, the counties, and community stakeholders, the progress includes: 1) **A state action team for affordable rental housing** to see what land is available in each county and where the needs are to build **22,500 affordable rentals by 2026**; 2) **More state support to build affordables** through the governor's budget for \$100 million to help with infrastructure, affordable unit financing and Department of Hawaiian Home Lands projects statewide; 3) **More public-private partnerships** to increase production and address the workforce housing gap in the 80 to 140 percent AMI category.



Gov. Ige and Maui's senior housing advocate Roy Katsuda discuss Hale Mahaolu Ewalu, an affordable rental.



# Governor proclaims 2018 ‘Year of the Hawaiian’

It was an event Queen Lili‘uokalani would have loved: the sound of music, the laughter of keiki and the milestones celebrated as Gov. Ige proclaimed 2018 **“The Year of the Hawaiian”** at Washington Place last month. The impetus came from a resolution passed during last year’s legislative session requesting the designation, with the Office of Hawaiian Affairs agreeing to bring the community together for various cultural and educational events.

Gov. John Waihe‘e, the state’s first Native Hawaiian governor, Sen. Brickwood Galuteria and Sen. Kai Kahele paid tribute to the many achievements of Native Hawaiians over the years and noted “how far we have come and how far we have to go.” Award-winning entertainers Kalani Pe‘a, Nina Keali‘iwahamana and Ho‘okena also performed.

For his part, Governor Ige recalled working with newly elected Gov. John Waihe‘e to establish in 1987 the first of two Hawaiian immersion programs at a public school — Waiau Elementary in Governor Ige’s district and Keaukaha Elementary on Hawai‘i island. He praised the work of UH Hilo professor Larry Kimura 30 years ago, who said the Hawaiian language was on the brink of extinction. “To save the culture, we had to save the language,” said the governor.

Governor Ige marveled at how the preschool and DOE immersion programs have flourished, although he said more language teachers are needed. “I remember at Waiau there were no textbooks in Hawaiian,” he recalled. The teachers were doing the translations. We were laminating pages and pasting them into the books. Now the language is spoken by over 20,000 people.”



**YEAR OF THE HAWAIIAN:** Legislators gathered for the proclamation signing. Gov. John Waihe‘e joined the governor and first lady Dawn Amano-Ige for the program. Pūnana Leo immersion students showed their language skills.

## New \$1.1 billion Diamond Head Concourse at airport planned

Governor Ige and airline officials have announced plans for a new Diamond Head Concourse at the Daniel K. Inouye International Airport. The \$1.1 billion project will be built over the next 10 years and financed through concessions and airline revenues. “My administration is committed to improving HNL’s facilities for its passengers, airlines and businesses,” said the governor.

“This project, combined with other airport modernization projects happening now, will result in more gates and faster processing for international travelers,” he explained. The main goal of the expansion project is to increase airport capacity during peak travel times. “We’re excited about this project because it emphasizes the reason we need a new airport corporation,” Governor Ige said, “An independent corporation will allow for quicker decision-making and a streamlined process for budgeting and procurement.”



**A rendering of the new concourse planned for the Daniel K. Inouye Airport.**

## Support for net neutrality

Fast, fair and open internet access for everyone — that’s Governor Ige’s goal in signing an executive order last month directing all state government agencies to contract only with service providers who abide by neutrality principles.

Net neutrality rules prohibit internet service providers from discriminating between content or users. That access was threatened when the Federal Communications Commission (FCC) voted to repeal neutrality rules on Dec. 13, 2017.

## Smoother Pali roads ahead

Long-awaited resurfacing of O‘ahu’s Pali Highway from Waokanaka Street to Kamehameha Highway has gotten underway and will continue for the next two years. The \$64 million project will include conversion of street lights to energy-efficient LED fixtures—estimated to save \$99,000 per year in energy costs.

Three lanes will be open through Nu‘uanu during peak travel periods during the day. Other lane closures may apply at different times. Drivers can check <http://PaliHighway.org> for details.

Contact us at [governor.hawaii.gov](http://governor.hawaii.gov)  
Executive Chambers, State Capitol  
Honolulu, HI 96813  
Phone: (808) 586-0034 | Fax: (808) 586-0006

Hilo Office (808) 974-6262 | Kona Office (808) 323-4542 |  
Maui Office (808) 243-5798 | Kaua‘i Office (808) 274-3100

Capitol Connection with Gov. David Ige is a regular e-newsletter that provides updates from the State Capitol. As we work to become paperless, the newsletter is available online and via subscription. Check the governor’s website at [governor.hawaii.gov](http://governor.hawaii.gov) to subscribe. You can also follow on Twitter and Instagram @govhawaii and <https://www.facebook.com/GovernorDavidIge>.  
(Print copies by Hawai‘i Correctional Industries)